



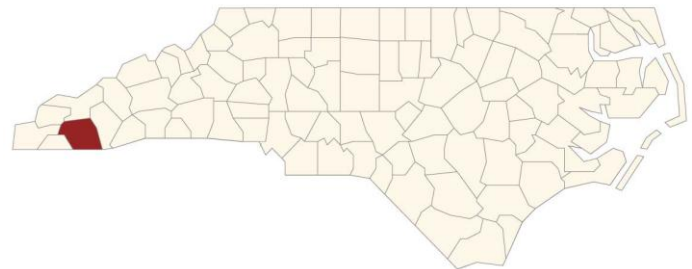
On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

American Recovery and Reinvestment Act Report, Macon County

Macon County received more than \$52 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Macon County total.



New Cars Sold:
20



Small Business Jobs:
92

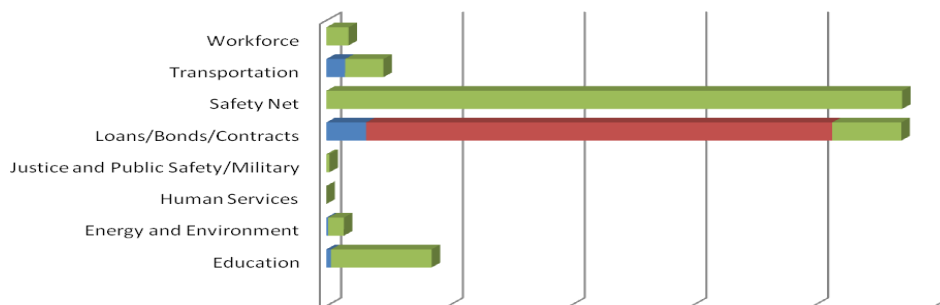


Appliances rebated:
66



Family homes financed:
42

Macon County Totals



Sum of Prime Awards Sum of Sub-Awards Sum of Loans/Bonds

Macon County,
pop 33,005 at a glance:

Recovery Act Totals:
Grants: \$ 33,175,160.13
Loans: \$ 6,252,080
Bonds: \$ 12,889,667

Total: \$52,316,907.13



Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

Macon County schools received \$17.5 million in education funding, including \$1 million in Special Education funds, \$600,000 in Title I funds, \$2.5 million in SFSF funds, \$500,000 in Race to the Top funding and a \$12.8 million bond allocation.



Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

In Macon County, 42 families received assistance through this program totaling more than \$5.5 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

Macon County retailers sold 66 appliances through the Energy Star Appliance rebate program.



Small Business Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

In Macon County 4 small businesses received SBA loan guarantees worth almost \$500,000. According to the small businesses receiving these loans, the Recovery Act saved or created 33 jobs. Additionally, the USDA Business and Industry Program provided a loan to Grandview Manor worth more than \$1 million dollars that saved or created 59 jobs.



CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

In Macon County, car dealers sold 20 cars worth almost \$500,000 through the ARRA CARS program.



Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

In Macon County, Resources, Education, Assistance, Counseling and Housing of Macon County received a Violence Against Women Act grant for \$125,000.



Environment and Natural Resources Programs

ARRA funded several programs to protect the environment, or to develop natural resources more efficiently. These programs ranged from environmental clean-up, such as leaking underground storage tank abatement and Brownfields programs, to EPA clean air grants, wildfire prevention grants, and revolving funds to build, expand, or overhaul existing water and sewer programs. These programs provided nearly \$150 million across North Carolina.

In Macon County, the US Forest Service and the Fish and Wildlife Service contracted for almost \$2 million in improvements to public lands.



Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

Macon County received a portion of a \$1.2 million grant to provide programmable thermostats at Division of Parks and Recreation facilities across the state.



Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

Macon County residents received \$19 million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$2 million in SNAP benefit increases, and \$2.5 million in one-time payments of \$250 to social security recipients.

Macon County received more than \$273,000 for Head Start Programs.

Macon County Feature Story

Macon County Builds New Iotla Valley Elementary with Recovery Bonds

The American Recovery and Reinvestment Act placed a special emphasis on infrastructure projects as a way to immediately impact jobs in the engineering and construction sectors, and as a way to make important, lasting impact in communities. There were several mechanisms for this type of investment: additional funding for the USDA's Community Facilities Program, additional funding for water and sewer programs in states, special competitive grant programs for high-demand bridge and road projects, and a historic high-speed rail program to connect large metropolitan areas, to name a few.

The Recovery Act also established several new bond programs with zero or very low interest to allow state, local, and private entities to design construction and renovation projects at the ground level where these projects would have the most impact on a local economy. These bond programs gave the green light to many long-awaited projects across the state, including the development of new libraries, hospital facilities, recreational facilities, the construction of new schools, highways, water systems, and improvements to a host of critical infrastructure. North Carolina entities used more than \$3 billion in Recovery Act bond capacity.

The Recovery Act provided \$24.8 billion in bond authority to states and local governments for school infrastructure through two primary programs: a new Qualified School Construction Bonds (QSCBs) program, and the expansion of the Qualified Zone Academy Bonds (QZABs) program. These are zero-interest, tax credit bond programs to provide a significant cost savings to school districts for construction and improvements. The Qualified School Construction Bond program provides Local Education Authorities with a method of funding construction/repair/renovation of public school facilities or for land acquisition for a public school facility.



Macon County took advantage of the historic opportunity presented in the ARRA bonds to finance the construction of the \$11 million new Iotla Valley Elementary School. The QSCB financed loan for the construction of the school closed on October 11, 2010.

H&M construction was contracted for the new facility on October 14, 2010. Groundbreaking for the new elementary school was held on October 25. The new school in the Town of Franklin is currently under construction.

Appendix, Macon County breakout

Federal Agency	Program Title	Recipient name	Recipient role ⁱ	Prime Amount ⁱⁱ	Unique Sub Awards ⁱⁱⁱ	Loans	Additional Economic Activity (not counted toward totals) ^{iv}
	Bonds		P			\$12,889,667.00	
	Cash for Clunkers		S		\$82,000.00		
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$5,766,280.00	
Administration for Children and Families	ARRA - Head Start	Macon Program For Progress Inc	P	\$197,551.00		\$0.00	\$197,551.00
		National Communications Inc.	PV	\$0.00		\$0.00	\$75,800.00
Department of Agriculture	Business and Industry Loans	Various	L		\$1,203,000.00		
	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$2,227,874.72		
Department of Energy	Weatherization Assistance for Low-Income Persons	Macon, County Of	S	\$0.00	\$477,439.00	\$0.00	
Department of Health and Human Services	Aging Congregate Nutrition Services for States	Macon County Senior Services	SV	\$0.00	\$0.00	\$0.00	
	Aging Home-Delivered Nutrition Services for States	Macon County Senior Services	SV	\$0.00	\$0.00	\$0.00	
Department of Justice	Violence Against Women Formula Grants	Resources, Education, Assistance, Counseling And Housing Of Macon Coun	S	\$0.00	\$127,235.20	\$0.00	
Department of Labor	Unemployment Insurance	Multiple Individuals	S		\$18,936,379.93		
Federal Highway Administration	Highway Planning and Construction	North Carolina Department Of Transportation	P	\$187,531.00		\$0.00	\$187,531.00
				\$583,838.00		\$0.00	\$583,838.00
		Rhodes Brothers Paving, Inc	PV	\$0.00		\$0.00	\$471,391.35
		RK&K Engineering , LLP	PV	\$0.00		\$0.00	\$3,029.99
		W.N.C. Nursery & Landscaping	PV	\$0.00		\$0.00	\$151,325.28

		Service,inc.				
Federal Transit Administration	Formula Grants for Other Than Urbanized Areas	Macon, County Of	S	\$0.00	\$179,580.00	\$0.00
Food and Nutrition Service	Child Nutrition Discretionary Grants Limited Availability	Macon County School District	S	\$0.00	\$32,869.78	\$0.00
Forest Service	No CFDA for Contract type awards	Glades Environment Inc.	P	\$166,460.00		\$0.00
		Hamilton & Sons Excavating	P	\$411,811.60		\$0.00
				\$538,345.35		\$0.00
		Kirkland, Ron	P	\$18,600.00		\$0.00
				\$36,152.00		\$0.00
				\$24,300.00		\$0.00
		Rescom Of Georgia, LLC	P	\$229,086.86		\$0.00
		Williams Construction & Cabinetry, Inc.	P	\$211,612.69		\$0.00
Idaho Operations Office	Energy Efficient Appliance Rebate Program (EEARP)		P			\$0.00
Office of Elementary and Secondary Education	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Macon County School District	S	\$0.00	\$2,606,210.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Macon County School District	S	\$0.00	\$485,602.00	\$0.00
	Title I Grants to Local Educational Agencies, Recovery Act	Macon County School District	S	\$0.00	\$693,277.00	\$0.00
Office of Special Education and Rehabilitative Services	Special Education - Preschool Grants, Recovery Act	Macon County School District	S	\$0.00	\$36,035.00	\$0.00
	Special Education Grants to States, Recovery Act	Macon County School District	S	\$0.00	\$916,119.00	\$0.00
Small Business Administration	Loans	Bear Mountain, LLC	L			\$133,300.00
		Subway	L			\$7,500.00
		Synergy Wellness PLLC	L			\$185,000.00
		The Animal Wellness	L			\$160,000.00

		Hospital O				
SSA	Social Security Economic Recovery Act Payments	Multiple Individuals	P	\$2,491,250.00		
U.S. Fish and Wildlife Service	Recovery Act Funds - Habitat Enhancement, Restoration and Improvement.	Little Tennessee Water Shed Association, The	P	\$75,000.00	\$0.00	\$75,000.00
USDA						
Grand Total				\$2,680,288.50	\$30,494,871.63	\$19,141,747.00
					\$3,390,620.48	

ⁱ Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

ⁱⁱ Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to www.federalreporting.gov

ⁱⁱⁱ Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

^{iv} Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.